

As the largest port complex in the Nation, the Port of Long Beach and the Port of Los Angeles play an indispensable role in our Nation's economy. The continued growth and success of the operations at the ports is important to Americans from North Dakota to North Carolina and Maine to California, not just to those of us in southern California. We are the "Gateway to the Pacific" which includes Asia and Latin America. The Federal Government has an important stake in seeing this gateway thrive.

The linchpin of continued growth—to meeting the demands of the 21st century—is the Alameda corridor. Annually, the ports have returned billions of dollars in customs revenues to the national treasury and—with their expansion plans—promise to double cargo volume, and customs revenues.

If landside access to these ports is not opened up, growth will be effectively capped. Lost customs and economic development revenue to the Federal Government will also be in the billions of dollars. The two ports have pooled their resources to purchase the existing Santa Fe, Southern Pacific, and Union Pacific Railroad Lines which come from central Los Angeles 20 miles to the harbor area. The integrated railroad corridor will generally follow the Alameda Street north-south route to the ports and enable container and other cargo to move directly from the ship to dockside rail for transit to points west, east, north, and south. The completed corridor will enable civilian and military cargo to come in various directions much more efficiently.

If expansion is stalled, there will be freight diversions to alternative sites—with much talk from the Government of Mexico about constructing a new port in Ensenada. The current administration recognizes this fact. Secretary of Transportation Federico Peña has stated, "The Corridor is not only a California issue, it's a national priority."

In order to build on that support, those of us in the Los Angeles/Orange County delegation are working as a bipartisan coalition to ensure that the Federal Government plays an active role as a financial partner not only in the overall construction costs, but also in helping to see that early planning needs and already authorized grade crossings are started at the earliest opportunity.

An integral part of this Federal role is the extension of tax-exempt bond financing authority to the Alameda corridor. Tax-exempt bond financing is critical to keeping debt service to a point where the Alameda corridor can be a successful operation. The bill we are introducing today is carefully crafted to limit the financial impact to the Federal Treasury. Its reach is limited. Currently, tax-exempt financing is available to construction activities which are immediately connected to a wharf. This bill is merely an extension of that logic, whereby transportation facilities that allow cargo to flow to and from that wharf are also given tax-exempt status. Again, it is important to remember that the long-term financial gains to the Federal Government through increased customs revenues far outweigh any short-term economic loss which may result from that legislation.

The Federal funding requirements to make the Alameda corridor a reality are tremendous. The corridor will be the largest intermodal project in the Nation. Securing the requisite Federal assistance—estimated to be less than

40 percent of the total costs—will demand working as a unified coalition not only at every level of government, but as a unified coalition of the private and public sectors. The Alameda corridor has tremendous support from our business and political leaders. The task is to translate that support into a constructed reality. This legislation is a critical step toward that goal.

Mr. Speaker, below is the text of H.R. 1790:

H.R. 1790

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TAX-EXEMPT FINANCING OF CERTAIN TRANSPORTATION FACILITIES.

(a) IN GENERAL.—Subsection (c) of section 142 of the Internal Revenue Code of 1986 (relating to exempt facility bonds) is amended—

(1) by redesignating paragraph (2) as paragraph (3), and

(2) by inserting after paragraph (1) the following new paragraph:

"(2) RELATED TRANSPORTATION FACILITIES.—

"(A) IN GENERAL.—Transportation facilities (including trackage and related rail facilities, but not rolling stock) shall be treated as facilities described in paragraph (2) of subsection (a) if at least 80 percent of the use of the facilities (determined on an annual basis) is to be in connection with the transport of cargo to or from a facility described in such paragraph (without regard to this paragraph).

"(B) GOVERNMENTAL OWNERSHIP REQUIREMENT.—In the case of transportation facilities described in subparagraph (A), subsection (b)(1) shall apply without regard to subparagraph (B)(ii) thereof."

(b) CHANGE IN USE.—Section 150(b) of the Internal Revenue Code of 1986 (relating to change in use of facilities financed with tax-exempt private activity bonds) is amended by adding at the end the following new paragraph:

"(7) CERTAIN TRANSPORTATION FACILITIES.—

In the case of any transportation facility—

"(A) with respect to which financing is provided from the proceeds of any private activity bond which, when issued, purported to be a tax-exempt bond described in paragraph (2) of section 142(a) by reason of section 142(c)(2), and

"(B) with respect to which the requirements of section 142(c)(2) are not met,

no deduction shall be allowed under this chapter for interest on such financing which accrues during the period beginning on the 1st day of the taxable year in which such facility fails to meet such requirements and ending on the date such facility meets such requirements."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

A TRIBUTE TO DAVID W. HOWE

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 8, 1995

Mr. ENGLISH. Mr. Speaker, it is with great sadness that I rise to honor David W. Howe, a World War II fighter ace, who is being laid to rest in Arlington National Cemetery today.

David W. Howe began his flying career in Canada in 1941 when he joined the Royal Air

Force. After he completed his training, he was sent to England to fight the Nazis with the Royal Air Force. In 1943, when the United States began looking for experienced American pilots, David Howe became part of the famed American Eagle Squadron. He was a member of a elite group of "double-breasted" pilots who wore wings from the the United States Air Force as well as Royal Air Force. As part of the Eighth Air Force, Howe's fighter squadron flew much needed cover for bomber groups attacking German targets across Europe. By the end of World War II, Howe had received the Distinguished Flying Cross with two oak leaf clusters, the Air Medal with 13 oak leaf clusters and a Presidential Unit Citation. Howe flew 117 combat missions and was credited with shooting down nine enemy aircraft and destroying German trains as well as other ground targets.

Perhaps what best illustrates the heroism of David W. Howe is the story of an incident that occurred near the end of World War II. Howe barely escaped certain death when a new Nazi jet fighter was in pursuit of his propeller driven P-51 Mustang fighter. Knowing that it was impossible to outrun the German Messerschmitt 262, Howe turned his fighter into a steep dive, gaining needed speed, then abruptly flew under a bridge. The pursuing jet, unable to make the same maneuver, hit the bridge. Howe's superior flying skills and fighting spirit truly make him a flying ace and one of America's finest that ensured the defeat of the Nazi forces.

After the war, Howe returned to his wife and family in Erie, PA. Saddened by the number of friends that he had lost in the war, he did not fly for several years. Flying, though, remained his first love and, in 1951, he joined Bell Aircraft and trained to become a test pilot for experimental aircraft. He became the very first American pilot to test a Vertical Takeoff and Landing [VTOL] jet. Because of the unique principle of the aircraft, Howe was forced to teach himself how to fly it. That plane now hangs on display in the Smithsonian Museum at the Garber Facility in Suitland, MD.

Howe was a co-pilot of a specially outfitted B-50 bomber carrying an X-2 rocket plane that exploded just under the mother ship's bomb bay in 1953, in a test flight over Lake Ontario. The blast killed the X-2's pilot and a scanner on the B-50. Howe and other crew members fought to bring the big bomber, which was on fire and had lost all hydraulics, back to the base without any further loss of life. The bomber was later deemed beyond repair.

David W. Howe passed away on May 22, 1995, after suffering from a massive stroke. Every generation of Americans has been called to send their finest into battle, and at every call, the finest have responded, fully prepared to give their "last full measure of devotion." Many, far too many, have given their lives on the world's battlefields. Many more, like Capt. David W. Howe, have served with extraordinary distinction and were able to return home and continue giving to their families, communities and Nation in ways far too numerous to record. Today, I am thankful that David W. Howe's service continued beyond far away battlefields and touched so many lives in our community.

Thank you, Mr. Speaker.